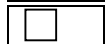


AGENDA SUMMARY PAGE
CITY COUNCIL MEETING OF: NOVEMBER 7, 2007

DEPARTMENT: CITY MANAGER**DIRECTOR: DOUGLAS A. SELBY**☐ Consent ☒ Discussion**SUBJECT:**

ADMINISTRATIVE:

Discussion and possible action regarding the Fourth Amendment to Project Management and Consulting Agreement between City Parkway V, Inc., the City of Las Vegas, Nevada, and Newland Communities, LLC, pertaining to Union Park located at 100 South Grand Central Parkway (APNs 139-34-110-002 and 004) - Ward 5 (Barlow) [NOTE: This item is related to City Council Items 66 and 80 (R-82-2007)]

Fiscal Impact**No Impact****Augmentation Required****Budget Funds Available****Amount:****Funding Source:****Dept./Division:****PURPOSE/BACKGROUND:**

City Council approved the original agreement on December 21, 2005, setting forth the terms and conditions under which City Parkway V, Inc., the City of Las Vegas, Nevada, and Newland Communities, LLC, (Newland) would work jointly toward development of the 61-acre tract in downtown Las Vegas. Three subsequent amendments have been presented to and approved by the City Council. Two letter extensions have been administratively approved to allow for sufficient time to complete the Project Manager Disposition and Joint Development Agreement negotiations. This Fourth Amendment reflects the changes that have come about from those negotiations. The Developer has increased the number of phases in the project to six and has been given two additional years to complete the acquisition of their reserved blocks. A housekeeping item has been added for the previous extensions of the contract period to receive Council approval.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Fourth Amendment to Project Management and Consulting Agreement
2. Disclosure of Principals
3. Site Map

Motion made by RICKI Y. BARLOW to Approve

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Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

RICKI Y. BARLOW, LOIS TARKANIAN, LARRY BROWN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-OSCAR B. GOODMAN)

Minutes:

SCOTT ADAMS, Director of the Office of Business Development, stated that Items 65 and 66 involve a proposed disposition and development agreement with Newland Communities for the purchase and development the six blocks for which development rights were granted under the master project consulting and development agreement. Item 65 pertains to an amendment to the consulting agreement that increased the number of phases from five to six and extends the deadline for Council's approval. Item 66 approves the DDA, which has been under negotiation for several months. It addresses a number of uses relative to the development of Newland's six blocks, which were depicted on map. He noted that there is an actual schedule for the pricing of each block, demolition and construction.

He noted that in every agreement there is a give-and-take and, in this agreement, the City is providing the property at less than the appraised value in exchange for Newland's commitment to not request any TIF (Tax Increment Financing) money. This means that the City will realize all of the tax benefits generated by this project. Under the agreement, the City will be able to take back any undeveloped blocks to provide to another developer. It also provides that the remediation contingency could be rolled into each successive phase, for which Newland has agreed to not hold the City liable for environmental conditions. This is very important given the parcels involved.

The DDA is all encompassing. Newland has agreed to move forward with the funding for the first phase of development.

RITA BRANDIN, Newland Communities, summarized that after completion, about twenty-six hundred residential units will be available, including 130,000 square feet of retail space along the promenade. Acquisition of the blocks will commence by summer of 2008, with construction to begin by mid 2011. She outlined the employment opportunities during construction and at the conclusion of construction. The estimated value of the seven blocks will be about \$1.5 billion. With the foregoing of TIF participation, this will be very positive for the City. She requested approval.

MS. BRANDIN indicated for COUNCILMAN BARLOW that an employment plan was not required, as they are not participating in TIF funding. MR. ADAMS interjected that, because the property is owned by City Parkway V and not the Redevelopment Agency, state law does not apply. Hence, an employment plan or prevailing wages provisions are not required and are not in the development agreement.

COUNCILMAN ROSS pointed out that the more than 130,000 square feet of retail space will generate more than 10,000 full-time jobs.

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COUNCILMAN BARLOW agreed that the economic impact to Ward 5 during construction and after will be tremendous. It is important to start educating the community on what this means to the entire Las Vegas community. MS. BRANDIN offered to make a presentation in the future.

